

ModernGraham Valuation

Company Name:

Company Ticker CNO
Date of Analysis

CNO Financial
Group Inc

8/2/2018



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$3,730,850,520	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
4. Earnings Growth		96.14%	Pass
5. Moderate PEmg Ratio	PEmg < 20	14.28	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.84	Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	1.56
MG Growth Estimate	8.04%
MG Value	\$38.32
MG Value based on 3% Growth	\$22.60
MG Value based on 0% Growth	\$13.25
Market Implied Growth Rate	2.89%

MG Opinion

Current Price	\$22.26
% of Intrinsic Value	58.09%
Opinion	Undervalued
MG Grade	B+

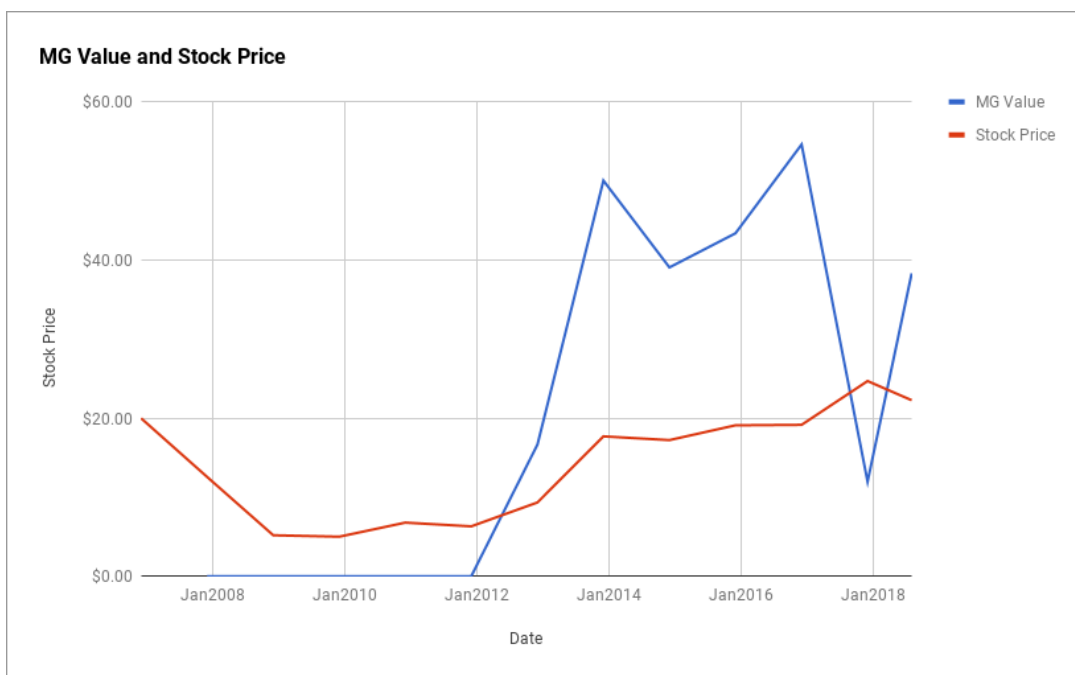
Stage 3: Information for Further Research

Graham Number	\$36.61
PEmg	14.28
PB Ratio	0.84
Dividend Yield	1.57%
Number of Consecutive Years of Dividend Growth	6

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.05	Next Fiscal Year Estimate	\$1.56
Dec2017	\$1.02	Dec2017	\$1.32
Dec2016	\$2.01	Dec2016	\$1.42
Dec2015	\$1.39	Dec2015	\$1.13
Dec2014	\$0.24	Dec2014	\$1.01
Dec2013	\$2.06	Dec2013	\$1.30
Dec2012	\$0.83	Dec2012	\$0.43
Dec2011	\$1.15	Dec2011	-\$0.15
Dec2010	\$0.99	Dec2010	-\$0.90
Dec2009	\$0.45	Dec2009	-\$1.54
Dec2008	-\$6.13	Dec2008	-\$1.93
Dec2007	-\$1.12	Dec2007	\$1.79
Dec2006	\$0.45	Dec2006	\$3.92
Dec2005	\$1.69	Dec2005	\$5.49
Dec2004	\$1.48	Dec2004	\$6.54
Dec2003	\$22.68	Dec2003	\$7.56
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information 6/1/2018	
Dec2000	\$0.00	Long-Term Debt & Capital Lease Obligation	\$3,980,100,000
Dec1999	\$0.00	Total Assets	\$32,472,200,000
Dec1998	\$0.00	Intangible Assets	\$0
		Total Liabilities	\$28,017,300,000
		Shares Outstanding (Diluted Average)	167,978,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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[Chubb Ltd Valuation – June 2018 \\$CB](#)
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